REPUBLICAN LEADERSHIP MEETING Tuesday, March 23, 1976 8:00 a.m.

Cabinet Room

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THE WHITE HOUSE

WASHINGTON

March 22, 1976

MEETING WITH REPUBLICAN CONGRESSIONAL LEADERS

Tuesday, March 23, 1976 8:00-9:00 a.m. (60 minutes) The Cabinet Room

From: Max L. Friedersdorf W. .

I. PURPOSE

To discuss with Republican leaders the issues of the Federal Election Commission, and surface mining legislation.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background

- 1. The extension to the Federal Election Commission decision by the Supreme Court expired at midnight on Monday. March 22.
- 2. The Senate has started its second week of debate on the unacceptable Hays bill, and the House is scheduled to consider the bill this week.
- 3. The House Rules Committee has scheduled a hearing today (March 23) on H.R. 9725, Surface Mining Control and Reclamation. Similar legislation was vetoed and sustained in 1975.
- 4. An effort to stop the bill in Rules Committee looks very close with the five Republicans and three Democrats (Sisk, Delaney and John Young) expected to oppose a Rule.
- 5. If a Rule is granted, surface mining is expected on the House Floor immediately after consideration of the FEC legislation.
- 6. The President has sent a clear veto signal to the Hill on surface mining, citing its damaging impact on energy independence goals.
- B. Participants: See TAB A

C. Press Plan:

Announce meeting; Press and White House photographers

III. TALKING POINTS - See TAB B

IV. AGENDA - See TAB C

PARTICIPANTS

The President Under Secretary of the Interior Frizzell Assistant Administrator of FEA Hill Assistant Administrator of EPA Quarles

HOUSE

John Rhodes
John Anderson
Bob Michel
Sam Devine
Jack Edwards
Barber Conable
Lou Frey
Guy Vander Jagt
Jim Quillen
Joe Skubitz
Sam Steiger
Phil Ruppe
Chuck Wiggins
Henson Moore
Bill Frenzel

SENATE

Hugh Scott
Bob Griffin
Carl Curtis
Ted Stevens
Mark Hatfield
Bob Packwood
Paul Fannin
Cliff Hansen

STAFF Dick Cheney Jack Marsh Rog Morton Brent Scowcroft Max Friedersdorf Bill Baroody Ron Nessen Jim Cannon Jim Lynn Bill Seidman Alan Greenspan Doug Bennett Bill Kendall Charles Leppert Tom Loeffler Joe Jenckes Ed Schmults Bob Wolthuis Russ Rourke Glenn Schleede Barry Roth Jim Connor

REGRETS

The Vice President
Secretary Kleppe
Administrator Zarb
Administrator Train
Rep. Bill Dickinson
Sen. John Tower
Sen. Bob Stafford
Sen. Bill Brock
Bob Hartmann
Phil Buchen

RECONSTITUTION OF THE FEDERAL ELECTION COMMISSION

Status: S. 3065 is still on the floor of the Senate. Although a Griffin substitute for simple reconstitution initially lost last week 47 to 46, subsequent votes on similar substitution bills have lost by wider margins. In each instance, we have shown sufficient strength to sustain a veto. The most significant of the amendments agreed to on the floor is one by Packwood to require disclosure of the amounts of expenditures by unions and corporations for communications to their members or employees with respect to clearly identifiable candidates. A Mathias amendment to expand Commission membership by the addition of two independent members was also adopted.

The Democrats have tentatively proposed a compromise bill that would combine simple reconstitution with changes in the SUNPAC decision to permit both unions and management to communicate once per election to non-union employees who do not have supervisory responsibilities. This approach continues to raise Constitutional and practical problems and Bob Griffin has not yet taken a position.

H.R. 12406 (Hays' Bill) will go to Rules tomorrow and is scheduled for the House floor on Thursday. Hays is seeking a modified close rule in order to limit the amendments that may be offered. The Minority members led by Devine, Wiggins and Frenzel have prepared several amendments, including a substitute bill that provides for simple reconstitution.

Talking Points

- 1. Let me congratulate all of you in the Senate for the fine job you did on the floor last week on the FEC. Particularly with the passage of Bob Packwood's amendment for disclosure of corporate and union expenditures for communications with members or employees.
- 2. Tip O'Neill was quoted this week as saying that, if the current legislation is vetoed, there will be no federal funds for this campaign. That is a chance we may have to take, but I think that the pressure on the Democratic leadership from the candidates and the DNC for the convention will be tremendous if that result appears imminent.

- 3. We have made a good record to date on the many problems that are raised in the House and Senate bills with respect to limiting the independence of the Commission and eliminating its ability to effectively enforce the election laws. We must keep up this support for independent enforcement while maintaining Republican unanimity if we are to be successful.
- 4. I understand that some Democrats in the Senate are suggesting a tentative compromise to allow simple reconstitution along with some changes in the SUNPAC decision. Perhaps Hugh Scott and Bob Griffin can explain this offer and then I would like to hear everyone's thoughts on where we are.

STRIP MINING - TALKING POINTS

- I understand that John Melcher will seek a rule today for his strip mining bill (H.R. 9725). My people tell me that:
 - His bill represents no significant improvement over the bill I have vetoed twice.
 - John (Melcher) may propose some floor amendments but, thus far, the amendments are largely cosmetic.
 - EPA, Interior and FEA are reviewing the production loss estimates and there is, thus far, no major change from the 40-162 million tons estimated for the vetoed bill. (Melcher is considering amendments to grandfather certain existing mines which, if passed, could reduce the high end of the range by about 30 million tons, but with no impact on the low end.)
 - There has been no improvement in the administrative workability of the bill. The bill still has ambiguous, vague, and complex provisions that would lead to litigation, regulatory delays and major uncertainties about the bill's impact -- including production losses in addition to the 40-162 million ton estimate above.
- If the bill were enacted, we would be faced with the same problems as before:
 - Near-term coal production losses.
 - Related job losses, particularly in Appalachia.
 - More pressure to increase oil imports.
 - Higher consumer prices -- not just for higher production and reclamation costs, but also where it is necessary to switch to imported oil.
 - A new Federal regulatory bureaucracy.
- Also, when considering this bill, we should keep in mind that several changes have occurred since strip mining legislation was first proposed in 1971:
 - All 26 of the states with surface mining now have their own laws and regulations. (24 are either new or tighter since 1971).
 - Interior Department will soon issue its regulations covering strip mining and reclamation on Federal lands.
 - We now know the risk of dependence on foreign oil.
 - We recognize that further expansion of the Federal regulatory bureaucracy is undesirable -- particularly where it displaces state efforts.

AGENDA

8:00-8:05 a.m. (5 minutes)	The President opens the meeting and introduces subjects of Federal Election Commission and surface mining.
8:05-8:25 a.m. (20 minutes)	The President calls upon leaders and jurisdictional Committee Members (House: Devine, Wiggins (Floor Manager), Frenzel, Henson Moore; Senate: Hugh Scott, Griffin, Hatfield. Packwood also very active on bill.), for comments on FEC.
8:25-8:45 a.m. (20 minutes)	The President calls upon leaders and jurisdictional Members (House: Skubitz, Sam Steiger, Ruppe; Senate: Fannin and Hansen), for comments on strip mining. (John Anderson will have Rules Committee status.)
8:45-8:55 a.m. (10 minutes)	The President invites the leaders to comment on other issues of current interest.
8:55-9:00 a.m. (5 minutes)	The President summarizes meeting and concludes discussion by closing the meeting.